

Treasurer-Tax Collector

Jenine Windeshausen, Treasurer-Tax Collector

MISSION STATEMENT

To facilitate safe and efficient financial services, the Treasurer-Tax Collector provides banking, investment and debt-financing services to the County, school districts and certain special districts; bills and collects all property taxes used to fund public agencies that provide services and benefits to the residents of the County of Placer; and processes business licenses for all persons or entities operating a business in the unincorporated area of the County.

TREASURER-TAX COLLECTOR FUND 100 / APPROPRIATION 10340

	Actual 2002-03	Budget 2003-04	Requested 2004-05	Recommended 2004-05	Change %	Adopted 2004-05
Expenditures						
Salaries and Employee Benefits	\$ 1,484,284	\$ 1,814,780	\$ 1,763,579	\$ 1,928,109	6%	\$ -
Services and Supplies	440,343	696,317	699,697	686,975	-1%	-
Capital Assets	116,540	-	-	-	0%	-
Intra Fund Charges	92,159	26,455	177,432	42,411	60%	-
Gross Budget:	2,133,326	2,537,552	2,640,708	2,657,495	5%	-
Net Budget:	\$ 2,133,326	\$ 2,537,552	\$ 2,640,708	\$ 2,657,495	5%	\$ -
Revenue						
Taxes	\$ 8,279	\$ 5,000	\$ 6,000	\$ 6,000	20%	\$ -
Licenses, Permits and Franchises	158,277	150,000	150,000	150,000	0%	-
Fines, Forfeits and Penalties	129,110	127,000	115,000	115,000	-9%	-
Revenue from Use of Money and Property	4,265,046	2,701,000	2,800,400	2,700,400	0%	-
Charges for Services	1,212,350	1,046,271	1,070,800	1,075,800	3%	-
Miscellaneous Revenue	53,676	50,000	40,230	40,230	-20%	-
Total Revenue:	5,826,738	4,079,271	4,182,430	4,087,430	0%	-
Net County Cost:	\$ (3,693,412)	\$ (1,541,719)	\$ (1,541,722)	\$ (1,429,935)	-7%	\$ -
Allocated Positions	26	26	26	26	0%	-

CORE FUNCTIONS

Treasurer

Provide banking, investment services, and safekeeping of all moneys belonging to the County, school districts, and certain special districts. The Treasurer also assists schools, special districts, and the County in issuing and selling bonds and performs various debt-management and administrative services.

Tax Collector

Provide for the current and delinquent billing, collection, and accounting of real and personal property taxes for all local taxing agencies in the County. The Tax Collector provides for the issuance of business licenses and snow-chain permits in the unincorporated area of the County.

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FY 2003-04 Major Accomplishments

- Played an integral role in analyzing, recommending and facilitating changes to increase efficiencies of the remittance processor. The following achievements were created with no additional cost to the County:
 - Acceptance of multiple types of payments
 - Deal with duplicate payments
 - Handle over and short payments
 - Manage the refund process
 - 100% of same day mail payment processing
 - Annual cost savings in overtime and extra help of approximately \$16,000 dollars
 - Earlier completion of tax cycles
 - Decreased time necessary for tax research
- Outside audit of tax collection processes showed no recommendations for improvements.
- Obtained a secured tax collection rate of 98.7% against a statewide average of 97.4%.
- Property tax bills were mailed 39 days earlier than statutory requirement.
- Upgraded Business License System creating new features for improved inter-departmental functionality as well as streamlining the approval process.
- Remodeled the customer service areas improving security, employee safety, and ergonomics.
- Replaced outdated Assessment District Administration Software by outsourcing the administration of 1915 Act Bond districts.
- Reviewed legal documents and assisted in the issuance of additional school debt totaling over \$76 million during the fiscal year.
- Provided portfolio management that resulted in investment earnings, which exceeded the State Treasurer's Local Agency Investment Fund (LAIF) earnings rate.
- The County portfolio reached a new all time high of \$901 million dollars on January 19, 2004.
- Reviewed and analyzed the feasibility of Pension Obligation Bonds resulting in the recommendation not to issue such debt.

FY 2004-05 Planned Accomplishments

- Review and update fee schedule to accurately reflect costs incurred and collected.
- Utilize various legal enforcement measures to reduce unsecured delinquencies.
- Provide financial services related to the refinancing of the Western Placer Waste Management Authority 1994 Revenue Bonds for the purpose of lowering the amount of outstanding debt and to achieve lower financing costs and interest rates.
- Increase Internet-based services such as individual property tax inquiry and payment ability in order to provide taxpayers with more convenient options for handling their property tax affairs.
- Take the Treasurer's active bank account and safekeeping accounts to bid using the request-for-proposal process. The goal of this process is to reduce banking expenses, increase operational efficiencies, and provide improved customer services such as credit card and virtual check payments.

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Department Comments

It is the intent of the Treasurer-Tax Collector to execute the duties associated with the various program responsibilities in a manner that reflects superior service and the highest level of integrity; to continually maximize human and technical resources to achieve better service and to increase productivity; to realize greater efficiency; increase revenues and control costs; to plan and to prepare for change; to work collaboratively with all departments and agencies, supporting their needs and goals in the spirit of teamwork; and to better serve the public through combined effort.

Significant challenges for the FY 2004-05 include:

- Developing strategies to maintain investment earnings despite forecast for interest rates to remain at historically low rates, and
- Accommodating and minimizing cash-flow impacts and to provide interim financing for school districts and possibly some special districts created by the state's financial catastrophe.

County Executive Comments And Recommendations

Increases in salaries and benefits in the Treasurer-Tax Collector's budget have, for the most part, been offset by reductions in other areas of the budget and by increased revenues. Interest revenues are budgeted at the same level as FY 2003-04 due to continued low interest rates and the expected drop in the average cash balance with the cancellation of General Fund reserves. Investment service revenue is based on the actual costs incurred to manage cash and investments, and these costs are reimbursed by other agencies that deposit money in the County's treasury.

CORE FUNCTION: TREASURER

Cash Flow Program

Program Purpose: To monitor, analyze and manage cash flows, apportion investment earnings, and identify funds available for investment by providing centralized banking, independent cash accounting, reporting, safekeeping, and disbursement of monies and properties belonging to the County, schools districts, and certain special districts in order to maintain accountability of funds held in trust.

Total Expenditures: \$427,672

Total Staffing: 3.38

- **Key Intended Outcome:** Depositors receive timely and accurate information on cash activities and balances, and idle funds are identified for timely investment.

Cash Flow Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
Total receipts (\$) per full-time equivalent (FTE)	\$410,898,985	\$424,242,424	\$430,000,000
# of deposits (RE's) posted per FTE	4,659	4,700	4,750
Total disbursements (\$) per FTE	\$376,184,966	\$393,939,394	\$400,000,000
% of total receipts over total disbursements	9.2%	7.7%	7.5%

Program Comments: Although receipts and disbursements continue to increase, staffing levels have been able to remain constant due to efficiencies created by technological improvements and ongoing reviews and modification to business processes.

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Investments Program

Program Purpose: To develop and maintain investment policies and invest money on deposit that is not required for immediate use to ensure the preservation of capital, meet the cash-flow needs of depositors, and generate investment income.

Total Expenditures: \$328,010

Total Staffing: 3.00

- **Key Intended Outcome:** Money is invested without liquidating current holdings to accommodate cash-flow needs.

Investments Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
% Treasury Investment Pool earned over (under) LAIF	1.027%	.50%	.50%
% of investment portfolio liquidated prior to maturity to accommodate cash-flow needs	0%	0%	0%
% annualized costs of total investment portfolio	0.122%	.125%	0.15%

Program Comments: Proper adherence to existing investment policies will prevent liquidation of investments for cash flow needs prior to maturity. It will also reflect the ability to be competitive with LAIF while maintaining minimal annual costs for pool participants.

Bond Administration Program

Program Purpose: To review, analyze, and make recommendations regarding proposed special-assessment and community-facilities-district financings, as member of the County's Bond Screening Committee, for financings proposed within unincorporated areas of the County, to lead the debt-issuance process and sale of bonds upon Board approval of financing. To provide various debt management services for school, special district and Placer County bond issues, including document review, bond sale, billing and collection of special assessments for 1911 Act improvement districts, fund accounting, bondholder payments, Internal Revenue Service arbitrage compliance, and preparation and distribution of annual disclosure reports.

Total Expenditures: \$118,864

Total Staffing: 1.13

- **Key Intended Outcome:** Only financially feasible financings are recommended to the Board of Supervisors. All bondholders are paid timely as specified in bond documents.

Bond Administration Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
Total # of active voter approved bond issues managed per FTE	42	45	45
% of county 1911, 1915 & Mello Roos assessments collected	98.91%	99.00%	99.00%
% of county assessment districts and community facilities districts in default	0%	0%	0%

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Program Comments: The very high rate of payments collected for voter approved bond assessments enables the Treasurer to make bondholder payments timely, resulting in no defaulted districts.

CORE FUNCTION: TAX COLLECTOR

Billing, Collections & Controls Program

Program Purpose: To provide the billing, collection, processing, posting accounts and reporting of all current property-tax payments, including secured, unsecured, supplemental, and corrected tax bills.

Total Expenditures: \$1,338,324

Total Staffing: 13.31

- **Key Intended Outcome:** All taxes are mailed and collected, processed and posted in a timely manner.

Billing, Collections & Controls Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
% of off-cycle bills mailed less than 16 business hours after receipt of bill data from the Auditor-Controller	99%	99%	99%
# of days prior to the legally required mailing date annual tax bills were mailed	35	39	30
# of accounts held in trust pending final resolution	119	500	500
\$ amount in accounts held in trust pending final resolution	\$114,297	\$500,000	\$500,000
\$ cost per tax bill to bill and collect	\$6.24	\$5.00	\$5.00

Program Comments: The timely mailing of tax bills increases initial collections enabling earlier receipt of monies. This allows funds to be posted quicker and for those received with discrepancies to be resolved in an efficient manner for the taxpayer. Earlier mailing also results in spreading the payment processing workload over a greater period of time, which reduces costs associated with overtime, callback, and extra help.

Forced Collections Program

Program Purpose: To provide for the collection of defaulted secured property taxes through tax-defaulted land sales and defaulted unsecured taxes through liens, attachment of other assets, and other available means and the pursuit of collections through bankruptcy court in order to maintain low default levels and make ultimate collection of defaulted taxes.

Total Expenditures: \$259,795

Total Staffing: 3.06

- **Key Intended Outcome:** The County ultimately realizes Teeter Plan revenues, defaults are maintained at minimal levels, and collecting defaulted amounts prior to auctions reduces the number of tax-defaulted parcels actually sold.

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Forced Collections Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
% of properties identified for tax-defaulted land sale due to unpaid taxes being resolved prior to sale	66.0%	60%	60%
% of bankruptcy claims filed within 10 working days of office notification	N/A	90%	100%
\$ of Teeter Tax Loss Reserves used to offset tax losses	\$570,873	0	0
% of liens filed within 90 days on delinquent unsecured bills	N/A	99%	99%

Program Comments: The reduction of parcels going to tax-sale increases tax collection efficiencies, benefits property owners from loss of property and decreases the possibility of using tax-loss reserves. It also relieves the County of possible lawsuits associated with parcels sold at auction. The prompt filing of bankruptcy claims and unsecured tax liens legally protects, facilitates and enforces the collection of taxes.

Business License Administration Program

Program Purpose: To process applications and coordinate the issuance of business licenses and snow-chain permits with various state and county agencies in order to collect and account for business-license fees.

Total Expenditures: \$168,043

Total Staffing: 2.13

- **Key Intended Outcome:** Increase number of new business licenses while maintaining current staffing levels.

Business License Administration Indicators:	Actual 2002-03	Projected 2003-04	Target 2004-05
# of business licenses issued per full-time equivalents (FTE)	2,929	3,182	3,294
# of days from receipt of application to forwarding for departmental approvals	N/A	3 days	5 days
# of days after all departmental approvals to issuance of license	N/A	3 days	5 days

Program Comments: Timely processing of applications and licenses allows new business owners to quickly operate in compliance with Placer County ordinances.